

100-138% FPL Clients Medicaid Ballot Initiative vs Healthcare Exchange

Health Reform Task Force
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Federal Poverty Level (FPL) %	Income (Annual 2018)	
	Single	Family of 4
100%	\$ 12,060	\$ 24,600
138%	\$ 16,643	\$ 33,948

Where would we be
if the Medicaid Ballot Initiative passes?

		additional people covered	General Fund (million \$)	federal subsidies (million \$)
<i>Utah Decides Healthcare Act of 2018</i>	Medicaid, 0–138% FPL	171,500	77	1,360
<i>Affordable Care Act (2010)</i>	exchange, 100–138% FPL	36,000	0	430
	Difference = Higher/ (Lower)	135,500	77	930

FY 2021 Estimates Including Woodwork

If the Medicaid ballot initiative passes, then in FY 2021 the State would spend about \$30 million General Fund to serve about 36,000 clients receiving health insurance via the federal healthcare exchange.

		additional people covered	General Fund (million \$)	federal subsidies (million \$)
<i>Utah Decides Healthcare Act of 2018</i>	Medicaid, 100–138% FPL	44,000	30	485
<i>Affordable Care Act (2010)</i>	exchange, 100–138% FPL	36,000	0	430
	Difference – Higher/ (Lower)	8,000	30	55

FY 2021 Estimates Including Woodwork

Where will we be
after implementation of
H.B. 472, *Medicaid Expansion Revisions,*
(Spendlove)?

		additional people covered	General Fund (million \$)	federal subsidies (million \$)
<i>Medicaid Expansion Revisions (2018 H.B. 472)</i>	<i>Medicaid, 0–100% FPL</i>	104,000	30	395
<i>Affordable Care Act (2010)</i>	<i>exchange, 100–138% FPL</i>	36,000	0	430
<i>Medicaid Expansion Revisions (2018 H.B. 472)</i>	<i>Total</i>	140,000	30	825

FY 2021 Estimates Including Woodwork

How do the two expansion strategies compare?

(Both strategies would generate new revenue to pay for General Fund costs)

	additional people covered	General Fund (million \$)	federal subsidies (million \$)
<i>Utah Decides Healthcare Act of 2018</i>	171,500	77 = \$450/person	1,360
<i>Medicaid Expansion Revisions (2018 H.B. 472)</i>	140,000	30 = \$215/person	825
Difference – Higher/ (Lower)	31,500	47 = \$1,490/person (31,500 difference only)	535

FY 2021 Estimates Including Woodwork

Where did these estimated numbers
come from?

Utah Decides Healthcare Act of 2018

- “The Governor’s Office of Management and Budget estimates that this proposed initiative would, in fiscal year 2021: Result in new state fiscal expenses of about \$77,000,000 for Medicaid services”
- Information beyond the \$77.0 million total state expenses is based on proportional costs of S.B. 47, *Medicaid Expansion Amendments (Davis)*, 2018 General Session

Affordable Care Act (2010)/ Federal Healthcare Exchange

Known Numbers

- Total Exchange Enrollment (2018)
- Average tax subsidy (2018)
- 100-150% FPL Exchange Enrollment (2018)
- 100-138% Percentage of 100-150% FPL Enrollment (2016)

Forecasted Numbers

- 2021 values for all known variables
- Assumed flat future enrollment
- Assumed 17% annual premium increases based on 2016 & 2017 experience

Range of Tax Credits Provided on Federal Healthcare Exchange

Monthly Example - 40 Year Old Russ					
Income	FPL %	Cap %	Cap	Benchmark Premium	Tax Credit
\$ 1,005	100%	2.01%	\$ 20	\$550	\$530
\$ 1,337	133%	3.02%	\$ 40	\$550	\$510
\$ 1,508	150%	4.03%	\$ 61	\$550	\$489
\$ 2,010	200%	6.34%	\$ 127	\$550	\$423
\$ 2,513	250%	8.10%	\$ 204	\$550	\$346
\$ 3,015	300%	9.56%	\$ 288	\$550	\$262
\$ 4,020	400%	9.56%	\$ 384	\$550	\$166

Questions?

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